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## DEPARTMENT OF COMMERCE

**International Trade Administration** 

[A-570-106]

Wooden Cabinets and Vanities and Components Thereof from the People's Republic of

China: Amended Preliminary Determination of Sales at Less Than Fair Value

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) is amending the preliminary determination of the less-than-fair-value investigation of wooden cabinets and vanities and components thereof (wooden cabinets and vanities) from the People's Republic of China (China) to correct significant ministerial errors.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Kabir Archuletta, Rachel Greenberg, or Eliza Siordia, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2593, (202) 482-0652, or (202) 482-3878, respectively.

#### SUPPLEMENTARY INFORMATION:

Background

On October 9, 2019, Commerce published in the Federal Register the Preliminary Determination, and completed the disclosure of all calculation materials to interested parties. On October 8, 2019, MJB Supply (Dalian) Co., Ltd, Shouguang Honsoar Imp. & Exp. Trading Co., Ltd., and Nantong Ouming Wood Co., Ltd. (collectively, D&H SRA Companies), and Zhong Shan King Yuandun Wood Products Co., Ltd. (Zhong Shan) timely filed ministerial error allegations regarding the *Preliminary Determination*.<sup>2</sup>

## Period of Investigation

The period of investigation is July 1, 2018 through December 31, 2018.

## Scope of Investigation

The product covered by this investigation is wooden cabinets and vanities from China. For a complete description of the scope of this investigation, see the appendix to this notice. Legal Authority

Commerce will analyze any comments received and, if appropriate, correct any significant ministerial error by amending the preliminary determination according to 19 CFR 351.224(e). A ministerial error is defined in 19 CFR 351.224(f) as "an error in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other similar type of unintentional error which the Secretary considers ministerial." A significant ministerial error is defined as a ministerial error, the correction of which, either singly or in combination with other errors, would result in: (1) a

Provisional Measures, 84 FR 54106 (October 9, 2019) (Preliminary Determination), and accompanying Preliminary Decision Memorandum (PDM).

<sup>&</sup>lt;sup>1</sup> See Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less than Fair Value, Postponement of Final Determination and Extension of

<sup>&</sup>lt;sup>2</sup> See D&H SRA Companies' Letter, "Wooden Cabinets and Vanities from the People's Republic of China: Ministerial Error Comments to Correct Spelling of Company Names," dated October 8, 2019; see also Zhong Shan's Letter, "Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China: Ministerial Error Comments – Prelim Determination," dated October 8, 2019.

<sup>&</sup>lt;sup>3</sup> See also section 735(e) of the Tariff Act of 1930, as amended (the Act).

change of at least five absolute percentage points in, but not less than 25 percent of, the weighted-average dumping margin calculated in the original (erroneous) preliminary determination; or (2) a difference between a weighted-average dumping margin of zero or *de minimis* and a weighted-average dumping margin of greater than *de minimis* or vice versa. Analysis of Ministerial Error Allegation

On October 8, 2019, certain separate rate respondents submitted ministerial error allegations. The respondents claim that Commerce should have granted Zhong Shan a separate rate; that clerical errors were made with respect to the names of the producers for exporters MJB Supply (Dalian) Co., Ltd, and Shouguang Honsoar Imp. & Exp. Trading Co., Ltd; and an "also known as" company name for the exporter/producer combination Nantong Ouming Wood Co., Ltd should have been included. Commerce has reviewed the record and finds that Zhong Shan's allegation is not ministerial in nature as the *Preliminary Determination* demonstrates our intent and our reasoning as to why Zhong Shan was not eligible for a separate rate.<sup>5</sup> However, we do agree that we made certain clerical errors on the producer/exporter list for separate rate recipients constituting significant ministerial errors within the meaning of 19 CFR 351.224(f) and (g). These errors are significant because the rate applicable to these separate rate respondents, as a result of the errors, is the China-wide rate of 262.18 percent, rather than the separate rate of 39.25 percent. The difference in these two rates exceeds the significant ministerial error threshold established in 19 CFR 351.224(g)(1) because correction of these errors results in a change of at least five absolute percentage points.

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<sup>&</sup>lt;sup>4</sup> See 19 CFR 351.224(g).

<sup>&</sup>lt;sup>5</sup> See Preliminary Determination PDM at 17–19.

<sup>&</sup>lt;sup>6</sup> See Memorandum, "Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China: Ministerial Error Allegations in the Preliminary Determination," dated concurrently with this notice (Ministerial Error Memorandum).

## **Amended Preliminary Determination**

Commerce preliminarily determines that the following amended weighted-average dumping margins exist for the period July 1, 2018 through December 31, 2018:

Exporter	Producer	Estimated weighted average dumping margin (percent)	Cash deposit rate (adjusted for subsidy offsets) (percent)
MJB Supply (Dalian) Co.,	Mulin City Bamiantong		
Ltd	Linyeju Jisen Wood	39.25	28.71
Shouguang Honsoar Imp. & Exp. Trading Co., Ltd	Shandong Honsoar Cabinet Materials Co., Ltd	39.25	28.71
Nantong Ouming Wood Co., Ltd., also known as Nantong Ouming Wood Industry Co.,	Nantong Ouming Wood Co., Ltd., also known as Nantong Ouming Wood Industry Co.,		
Ltd	Ltd	39.25	28.71

## Amended Cash Deposits and Suspension of Liquidation

The collection of cash deposits and suspension of liquidation will be revised according to the rates calculated in this amended preliminary determination, in accordance with sections 733(d) and (f) of the Act, and 19 CFR 351.224. Because the rates are decreasing from the *Preliminary Determination*, the amended cash deposit rates will be effective retroactively to October 9, 2019, the date of publication of the *Preliminary Determination*. Parties will be notified of this determination, in accordance with sections 733(d) and (f) of the Act.

## <u>International Trade Commission Notification</u>

In accordance with section 733(f) of the Act, we will notify the International Trade Commission of our amended preliminary determination.

# Notification to Interested Parties

This amended preliminary determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.224(e).

Dated: November 6, 2019.

# Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

#### **Appendix**

## **Scope of the Investigation**

The merchandise subject to this investigation consists of wooden cabinets and vanities that are for permanent installation (including floor mounted, wall mounted, ceiling hung or by attachment of plumbing), and wooden components thereof. Wooden cabinets and vanities and wooden components are made substantially of wood products, including solid wood and engineered wood products (including those made from wood particles, fibers, or other wooden materials such as plywood, strand board, block board, particle board, or fiberboard), or bamboo. Wooden cabinets and vanities consist of a cabinet box (which typically includes a top, bottom, sides, back, base blockers, ends/end panels, stretcher rails, toe kicks, and/or shelves) and may or may not include a frame, door, drawers and/or shelves. Subject merchandise includes wooden cabinets and vanities with or without wood veneers, wood, paper or other overlays, or laminates, with or without non-wood components or trim such as metal, marble, glass, plastic, or other resins, whether or not surface finished or unfinished, and whether or not completed. Wooden cabinets and vanities are covered by the investigation whether or not they are imported attached to, or in conjunction with, faucets, metal plumbing, sinks and/or sink bowls, or countertops. If wooden cabinets or vanities are imported attached to, or in conjunction with, such merchandise, only the wooden cabinet or vanity is covered by the scope. Subject merchandise includes the following wooden component parts of cabinets and vanities: (1) wooden cabinet and vanity frames (2) wooden cabinet and vanity boxes (which typically include a top, bottom, sides, back, base blockers, ends/end panels, stretcher rails, toe kicks, and/or shelves), (3) wooden cabinet or vanity doors, (4) wooden cabinet or vanity drawers and drawer components (which typically include sides, backs, bottoms, and faces), (5) back panels

and end panels, (6) and desks, shelves, and tables that are attached to or incorporated in the subject merchandise.

Subject merchandise includes all unassembled, assembled and/or "ready to assemble" (RTA) wooden cabinets and vanities, also commonly known as "flat packs," except to the extent such merchandise is already covered by the scope of antidumping and countervailing duty orders on Hardwood Plywood from the People's Republic of China. See Certain Hardwood Plywood Products from the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value, and Antidumping Duty Order, 83 FR 504 (January 4, 2018); Certain Hardwood Plywood Products from the People's Republic of China: Countervailing Duty Order, 83 FR 513 (January 4, 2018). RTA wooden cabinets and vanities are defined as cabinets or vanities packaged so that at the time of importation they may include: (1) wooden components required to assemble a cabinet or vanity (including drawer faces and doors); and (2) parts (e.g., screws, washers, dowels, nails, handles, knobs, adhesive glues) required to assemble a cabinet or vanity. RTAs may enter the United States in one or in multiple packages. Subject merchandise also includes wooden cabinets and vanities and in-scope components that have been further processed in a third country, including but not limited to one or more of the following: trimming, cutting, notching, punching, drilling, painting, staining, finishing, assembly, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the in-scope product. Excluded from the scope of this investigation, if entered separate from a wooden cabinet or

vanity are:

- (1) Aftermarket accessory items which may be added to or installed into an interior of a cabinet and which are not considered a structural or core component of a wooden cabinet or vanity.

  Aftermarket accessory items may be made of wood, metal, plastic, composite material, or a combination thereof that can be inserted into a cabinet and which are utilized in the function of organization/accessibility on the interior of a cabinet; and include:
  - Inserts or dividers which are placed into drawer boxes with the purpose of organizing or dividing the internal portion of the drawer into multiple areas for the purpose of containing smaller items such as cutlery, utensils, bathroom essentials, *etc*.
  - Round or oblong inserts that rotate internally in a cabinet for the purpose of accessibility to foodstuffs, dishware, general supplies, *etc*.
- (2) Solid wooden accessories including corbels and rosettes, which serve the primary purpose of decoration and personalization.
- (3) Non-wooden cabinet hardware components including metal hinges, brackets, catches, locks, drawer slides, fasteners (nails, screws, tacks, staples), handles, and knobs.
- (4) Medicine cabinets that meet all of the following five criteria are excluded from the scope: (1) wall mounted; (2) assembled at the time of entry into the United States; (3) contain one or more mirrors; (4) be packaged for retail sale at time of entry; and (5) have a maximum depth of seven inches.

Also excluded from the scope of this investigation are:

(1) All products covered by the scope of the antidumping duty order on *Wooden Bedroom*Furniture from the People's Republic of China. See Notice of Amended Final Determination of

Sales at Less Than Fair Value and Antidumping Duty Order: Wooden Bedroom Furniture from

the People's Republic of China, 70 FR 329 (January 4, 2005).

Hardwood Plywood from the People's Republic of China. See Certain Hardwood Plywood Products from the People's Republic of China: Amended Final Determination of Sales at Less

(2) All products covered by the scope of the antidumping and countervailing duty orders on

Than Fair Value, and Antidumping Duty Order, 83 FR 504 (January 4, 2018); Certain

Hardwood Plywood Products from the People's Republic of China: Countervailing Duty Order,

83 FR 513 (January 4, 2018).

Imports of subject merchandise are classified under Harmonized Tariff Schedule of the United States (HTSUS) statistical numbers 9403.40.9060 and 9403.60.8081. The subject component

parts of wooden cabinets and vanities may be entered into the United States under HTSUS

statistical number 9403.90.7080. Although the HTSUS subheadings are provided for

convenience and customs purposes, the written description of the scope of this investigation is

dispositive.

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